

From: "Elkins, Nathan" <NELkins@amerisourcebergen.com>
Sent: Mon, 23 Dec 2013 09:21:02 -0500 (EST)
To: "DeLong, David" <DDeLong@amerisourcebergen.com>; "Halls, Amy" <AHalls@amerisourcebergen.com>; "Nell, Connor" <CNell2@amerisourcebergen.com>; "Perry, Michael - Kentucky" <mperry-ky@amerisourcebergen.com>; "Pitts, Eric" <EPitts@amerisourcebergen.com>; "Schrott, Bill" <BSchrott@amerisourcebergen.com>
Subject: FW: Controlled Drug Monitoring Follow Up

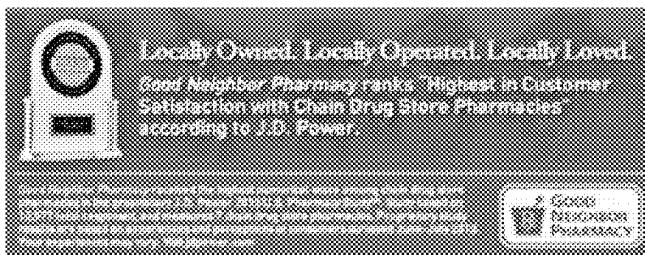
Team,

FYI. I believe everyone was copied on this, but just in case. An important overview of how CSRA/OMP processes have changed going forward.

Thank you,

Nathan Elkins | District Director - NorthEast Region | AmerisourceBergen | 6305 LaSalle Drive, Lockbourne, Ohio 43137  **Cell: 859.625.2582** |  **Email: nelkins@amerisourcebergen.com**

CONFIDENTIALITY NOTICE: This email message is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.



From: Caffentzis, Anthony
Sent: Monday, December 16, 2013 12:23 PM
To: Sales - ABDC - All
Cc: Miller, Mike; Snyder, Scott; Bennett, Bruce; Lightfoot, Emily; Rafferty, George; Ball, Chuck; Procopio, Russell; Zimmerman, Chris; Mays, Steve; Hazewski, Edward; Manning, Kathie; Meluso, Ginette; Romero, Lauren; Nachman, Michael; Campbell, Elizabeth
Subject: Controlled Drug Monitoring Follow Up

Team:

Since the end of summer, our sales team undertook an endeavor to review all accounts with less than \$50,000/month in volume. In addition and independently, for any such accounts that were purchasing a high percentage of controlled substances in relation to their overall TRV, you were directed to have frank conversations reiterating the importance of diversion control and that any red flags caused by their purchasing patterns put them at risk of having controlled substance purchases suspended or limited by ABC.

These efforts served a number of purposes:

- Allowed us to reiterate the importance of diversion control to customers whose purchasing levels could raise potential concerns.
- Allowed us to continue to protect ABC interests, as well as that of our sales associates, each of whom may be harmed by a customer's potentially suspicious ordering.
- Allowed us to establish minimum levels of purchasing required for ABDC business—now set at no less than \$50,000/month. Accounts under \$50,000 per month can be referred to Bellco Generics who may be able to

service their needs (with the exception of high-risk, controlled substances).

We want to thank you for your diligence in regard to this initiative, as we know these conversations can be challenging ones to have with our customers.

As you all know, ABC implements a comprehensive and multi-faceted approach to diversion control through our Order Monitoring Program (OMP). OMP is the means by which ABC identifies, notifies the DEA of and suspends suspicious orders, and includes the following features:

- “Know Your Customer” Due Diligence
- Monitoring for Suspicious Orders
- Investigation of Suspicious Orders
- Suspension of Shipments of Suspicious Orders
- Filing Suspicious Order Reports with the DEA
- Establishing Thresholds for Every Retail Pharmacy Customer
- Analytical Review of Customer Purchasing Patterns
- Employee Compliance Training, and Standard Operating Procedures
- Targeted Visits of Retail Pharmacies
- Customer Education
- Ongoing Enhancements to OMP

The OMP is administered by our Corporate Security & Regulatory Affairs (CSRA) team. As a reminder, CSRA’s analysis can result (where appropriate based on the relevant facts) in the customer and CSRA working together on a risk-mitigation strategy, or the suspension of the account’s controlled substance purchasing.

In the course of completing our analysis of the < \$50,000/month customers, there was inherent synergy between the work that Sales was performing and the continual analysis that CSRA always performs. As a result, it became apparent that we need to clarify the process and consistency with which we substantively communicate with our customers. This is another opportunity for us to exhibit the effectiveness of the Power of One.

CSRA Customer Communication Process

A cross-functional team, including Mike Miller, Emily Lightfoot, Russ Procopio, John Trippe, Kathie Manning and Steve Mays, has defined the following process in which our CSRA team will now take the lead:

- Steve Mays, Sr. Director, CSRA and the CSRA Diversion Control Team conduct comprehensive due diligence and fact gathering process in a multi-faceted approach, and will continue to communicate directly with any customer of concern triggered by the Diversion Control Process. The CSRA team will determine if a risk-mitigation strategy can be developed or if the account will no longer be able to order controlled substances.
- To ensure effective awareness, Tom Byrne and Rich Metzger on our Sales Operations team have been designated to act as the communication liaison between CSRA and Sales. CSRA will provide Tom and Rich at least 24 hours’ notice before any action (suspension, mitigation plan, etc.) is initiated. Tom and Rich will have all pertinent information about the account, the facts and basis regarding the action taken, and be in the

position to inform internal ABC stakeholders seeking updates or clarification to the account's status.

- After completing its due diligence, if CSRA believes that facts/circumstances exist that may lead to the suspension of controlled substance purchases or a risk-mitigation strategy, the customer will be notified in writing and asked to contact CSRA. After speaking with the customer, if CSRA determines it is appropriate to take action, such decisions are final. Sales associates are to respect such decisions and not advocate – whether orally or in writing – for concessions, reconsideration or exceptions to be made.
- To be clear, Sales can and should continue to work with the customer on all **other** aspects of their AmerisourceBergen relationship.

If a customer contacts Sales or any other customer-facing associate about their risk-mitigation strategy or suspension, we ask that associate to use the following simple talking points:

- In order to ensure consistency, and recognizing the importance of regulatory compliance, all account management related to individual customer risk-mitigation strategies and/or suspensions from controlled substance purchasing is coordinated through our Corporate Security & Regulatory Affairs department. As your account/service contact, I am unable to provide you with any other information or guidance regarding your controlled substance status; however, I am happy to put you in contact with that team.
- You can contact Steve Mays at 610-727-7467 or smays@amerisourcebergen.com or you can contact Ed Hazewski at 610-727-3680 or ehazewski@amerisourcebergen.com

Should a member of the Sales team have questions, we ask that you communicate directly with Tom Byrne and Rich Metzger who will have all information as it relates to ABC controlled substance strategy, CSRA activity and responsibilities. This will allow our CSRA team to prioritize resolution of the customer issue.

We will continue to look at ways to improve our processes and dissemination of information to customers, including threshold limits. In fact, a new PMO has just been launched, with representatives from Sales, CSRA, Legal, Finance, Shared Services, Customer CARE, IT and Operations. The work we have accomplished to date is just a start, and we are committed to a continual process of improvement to meet our commitment to the highest ethical and legal standards, while remaining dedicated to our overall customer experience.

New Customer Due Diligence (NCDD) / Threshold Increases

All other current processes as they relate to the Diversion Control Program will continue as previously communicated, including:

- That sales and other customer-facing associates continue to report any suspicious activity to CSRA;
- That sales will continue to complete a NCDD/CSRA Form 590 for all potential new accounts; and
- That all threshold increases be requested via the "Request Threshold Review". Both the CSRA Form 590 and the Request Threshold Review form can be found on StreetSmart.

Should you have any questions about the new customer communications process or controlled drug monitoring, please do not hesitate to contact Tom Byrne at 610-727-2388 or tbyrne@amerisourcebergen.com.

AJ Caffentzis
SVP, Sales & Marketing

Chris Zimmerman
VP, Corporate Security and Regulatory Affairs
Chief Compliance Officer

HIGHLY CONFIDENTIAL - SUBJECT TO PROTECTIVE ORDER
HIGHLY CONFIDENTIAL - SUBJECT TO PROTECTIVE ORDER

ABDC-WVFED00054407
ABDCMDL05765423
P-41622 _ 0004